

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

Miyano Machinery USA Inc.,)	
)	
Plaintiff,)	
)	Civil Action No. 08 C 526
v.)	
)	Hon. Virginia Kendall
MiyanoHitec Machinery, Inc.,)	
Thomas ("Tom") Miyano,)	Magistrate Judge Nolan
a/k/a Toshiharu Miyano and)	
Steven Miyano, a/k/a)	
Shigemori Miyano,)	
)	JURY TRIAL DEMANDED
Defendants.)	

DECLARATION OF THOMAS TOSHIHARU MIYANO

I, Thomas Toshiharu Miyano, declare as follows:

1. My name is Thomas Toshiharu Miyano. I am a United States citizen and a resident of Illinois. I make these statements of my own personal knowledge.
2. I make these statements in support of Defendants' – MiyanoHitec Machinery, Inc., Thomas ("Tom") Miyano, and Steven Miyano – opposition to the preliminary injunction motion of plaintiff Miyano Machinery USA Inc. ("MMU").
3. I started working for Miyano Machinery, Inc. in Ueda, Japan in 1974 as an Trainee of an Accountant.
4. "Tsunoda File Manufacture" founded by Tsunoda equal to the father-in-law of my father in 1898. (The family name of "Tsunoda", has three ways of pronunciation in Japanese Kanji, "Kakuda" , "Kakuta" and "Tsunoda". So the formal name of "Tsunoda/Kakuta/Kakuda File Manufacture" cannot be known today as it was a

very long time ago.) Toshimori Miyano who is my father was born in April 1908. In August of the same year, Moriichi Miyano who was the father of Toshimori Miyano died. In the next year 1909, Hana Sonobe who was my father's mother remarried to Mr. Kakuta. Tsunoda died in 1918 when my father Toshimori Miyano was 10 years old. Since when Kakuta has died to until 1929, Hana Sonobe was administering "Kakuta File Manufacture" Right after Toshimori Miyano has graduated from an University in 1921, he became the person in charge of "Kakuta File Manufactuer" In the same year 1921, Toshimori Miyano changed the company name from "Kakuta File Manufactuer" to "Miyano File Manufacture Co. Ltd". In 1965, Toshimori Miyano died, leaving a will, all tangible and intangible assets were succeeded to Sumiko Miyano including the Winged M trademark. The Winged M trademark was a mark that Toshimori Miyano owned and registered as an individual.

5. In 1975, I founded MMU with the decision made in MMJ. Since that time (and even before), I have worked very hard to develop my reputation in the machine tool industry in the United States and to develop many valuable business relationships in that industry. I believe that I have a good reputation in the machine tool industry in the United States and throughout the world. Many others helped to build up my reputation and the valuable relationships that I mention above. However, ultimately, my name – particularly my surname¹ – was the name that people associated with my hard work and reputation for designing,

¹ My family's surname is common in Japan. According to one website, www.japanorama.com, Miyano is among the 1000 most common Japanese surnames. Attached to this declaration is a true and accurate copy of the list of the 1000 most common Japanese surnames from Japanorama.com.

building and delivering high-quality, reasonably priced machines.² For approximately three decades, I believe, when customers in the machine tool industry thought of MMU, they thought of Tom Miyano. I base that belief on my years of work in the machine tool industry and my interactions with customers in the machine tool industry.

6. Based on my personal experience interacting with customers in the United States machine tool industry, it was my name – particularly my surname – that those customers used to identify the source of the machines marketed and sold by MMU.
7. Customers in the machine tool industry tend to be thoughtful and careful about their purchasing decisions. Unlike customers of many consumer goods, even expensive consumer goods like cars or houses, customers in the machine tool industry tend to be very informed about their purchases. Typically, if not always, the customer is purchasing a machine that costs over \$100,000. Many times, the customer is purchasing a machine that costs two, three or four times that amount. Also, the customer is typically purchasing the machine to do a very specific task at a specific work site. Because the machine must perform specific tasks in a specific place, customers also tend to learn as much as they can about who they are purchasing from long before they actually purchase a machine. Furthermore, the customer will require service on the machine and will need to know as much as possible about the selling company's ability to do the necessary service. While these are my beliefs, it is important to point out that these beliefs are based on my

² I note that I have had no control over the quality (or any other aspect) of MMU machines for at least two years. Some customers of MMU machines, since I have left, have indicated that MMU's quality is not as good as when I was in charge of MMU and MMJ.

personal experiences of more than 30 years in the machine tool industry in the United States.

8. I also believe, based on my experiences in the machine tool industry, that I was (and am) considered to be an innovative designer in the machine tool industry.
9. To my knowledge, I am the only person at MMU ever to be named as an inventor on a United States patent. I am the named inventor on approximately two dozen United States patents. True and accurate copies of those patents are attached to this declaration as Exhibit A.
10. For much of my time at MMU, I was the primary designer of MMU machines. My son, Steven Miyano, is named as a co-inventor on one of our patents, which dates back to the 1990s. Steven is also a named co-inventor on a new application seeking patent rights for Tom and Steven Miyano Machinery's new machine technology.
11. During the time that I was a senior manager of MMJ and MMU, all decisions – including those related to trademarks and their usage – concerning MMU came from the president of MMJ.
12. In 1995, when I was a senior executive of MMJ and MMU, MMU and MMJ intentionally decided to abandon the MIYANO word mark that is shown in Reg. No. 1,529,343, which is attached as Ex. 1 to MMU's motion.
13. In 1997, when I was a senior executive of MMJ and MMU, MMU and MMJ intentionally decided to stop using the triangle logo that is shown in Reg. No. 1,217,317, which is attached as Ex. 3 to MMU's motion. Attached to this declaration as Exhibit B is a true and accurate copy (in Japanese and English) of

an internal MMJ document showing that MMJ and MMU intentionally decided to stop using the triangle logo shown in Reg. No. 1,217,317. Immediately after MMU decided to stop using the triangle logo shown in Reg. No. 1,217,317, that logo was phased out of use by MMU and MMJ.

14. From the time that MMU phased out use in 1997 through (and even after) 2002, MMU did not use the triangle logo shown in Reg. No. 1,217,317 on any machines sold in the United States by MMU, including power lathes and bar feeders.
15. During that same time period (approximately 1997 through 2002 and even beyond), MMU was not using the mark shown in the specimen of continuing use submitted to the United States Patent and Trademark Office to maintain Reg. No. 1,217,317 in the United States. During all of that time (prior to 2004), I had the ultimate authority at MMU on all trademark decisions and the ultimate authority regarding direction of implementing those decisions. I did not, in 2002 (or at any other time), direct or authorize George Kobayashi (of the Masuda Funai law firm) to file a statement of continued use on MMU's behalf to maintain Reg. No. 1,217,317.
16. Regarding Reg. No. 3,328,718,³ I did not, at any time, give MMU (or any entity related to it) consent to register my family surname as a word mark. During the process of applying for what became Reg. No. 1,529,343, the abandoned MIYANO word mark, no attorney at Masuda Funai (including Nancy Sasamoto) advised me that the registration (or the application for that registration) would

³ Reg. No. 3,328,718 (abandoned MIYANO word mark) is shown on Exhibit I to MMU's motion for preliminary injunction. Reg. No. 1,529,343 (new MIYANO word mark) is virtually identical to Reg. No. 3,328,718.

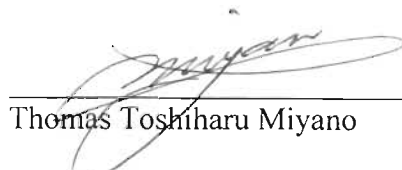
have any effect on my rights (or any of my family members' rights) to use the Miyano family surname.

17. Regarding the winged M design, it is important to understand that the winged M symbol is my family's mark. That symbol is associated with my family in much the same way that our surname is associated with our family name. I personally own the winged M trademark and the winged M-trademark with MIYANO (Block font) with Triangle fence in Japan. I inherited that mark and other property from my mother when she died.
18. MMU has never had a written license to use the winged M mark or my family's surname.
19. During at least the past 25 years, MMU and MMJ have never used the winged M design alone as a trademark.
20. MMU and MMJ asked me to sign a non-compete agreement when I stopped working at those companies. I politely refused to sign any such agreement.
21. Presently, I am unemployed, but advising my son, Steven Miyano, in his venture – Miyano Hitec, Inc. We are careful to inform customers that we have no relationship, association or affiliation of any kind with MMU or MMJ. We are also careful to distinguish ourselves from MMU and MMJ in other ways. For example, we use the name Tom & Steven Miyano Machinery. We also use a printed disclaimer and verbally tell customers that we are not MMU or MMJ.
22. My return to the machine tool industry was driven by a number of factors. Among those factors is my pride in the work that I did in the machine tool industry. I am very proud of my family's name and the reputation that my

- family's name enjoys in the machine tool industry. Likewise, I am proud of my reputation and relationships with customers in the machine tool industry. I was even asked by customers to return to the machine tool industry.
23. Since my return to the machine tool industry, my son and I have attended numerous trade shows, including JIMTOF in Tokyo in November 2006. At JIMTOF, in November 2006, we met with MMJ senior executives. At that time, they knew that my son and I were in the machine tool industry.
24. In addition to JIMTOF in November 2006, my son and I have attended machine tool trade shows in the United States. Specifically, we attended trade shows in Michigan, Florida and Illinois. At each of these shows, we used our names, the winged M and also the business name – Tom and Steven Miyano Machinery.
25. At each of these trade shows in the United States, we made sure that we prominently displayed a disclaimer clearly indicating that we are not affiliated with Miyano Machinery, Inc. in Japan and Miyano Machinery USA, Inc. in any way. At no time (at any of these trade shows or otherwise), has anyone confused Tom and Steven Miyano Machinery with MMU or MMJ.

I make the foregoing statements, which are true and accurate and of my own personal knowledge, under penalty of perjury and would testify under oath in accord with this declaration if called to do so.

DATED: June 5, 2008


Thomas Toshiharu Miyano

CERTIFICATE OF SERVICE

I hereby certify that the foregoing was filed via the Court's ECF system and thus also sent by email on June 6, 2008 to the following:

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June 6, 2008

/s/Geoffrey A. Baker